



3/31/08

January 31, 2008

Minerals Program
State of Utah – Dept of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Escalante Silver Mine 2007 Annual Report – M210004

Enclosed is the completed 2007 Annual Report for Hecla Mining Company's Escalante property.

Sincerely,

A handwritten signature in black ink, appearing to read "P. Glader", written over a horizontal line.

Paul L. Glader
Manager Environmental Services

Encl.

RECEIVED

FEB 04 2008

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple - Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940

SMALL MINING OPERATIONS 2007 PROGRESS REPORT
January 1, 2007 to December 31, 2007

The information required in this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, and the rules as under the Utah Minerals Regulatory Program.

1. Mine Permit Number: M 210004
2. Mine Name: Escalante Silver Mine
3. Name of Operator/Permittee: Hedra Mining Company
Note: If Operator's address, company representative or phone number have changed, please provide a replacement page to the Notice of Intention.
4. Mine Location: 3 miles WSW of Beryl Junction SE 1/4 Section 2
5. Report the gross amount of ore mined and waste moved, as well as the arrangement, positioning, or distribution of the material: None - mined closed
Gross Ore Mined 0 Tons, or yd³
Waste Material Moved Tons, or yd³
New Disturbance Acres during 2007
Area Reclaimed Acres during 2007
Total Disturbed Area 28 Acres* - Access Road to Tailings Imp
Was the ore shipped off site? If not, where is the ore located? Yes - offsite - when operating
Where is the waste located? Waste dump & tailings impoundment

*Total life of mine disturbance to the end of 2007.

6. Briefly describe the reclamation work performed during the past year. A map showing reclaimed areas and dates is suggested. (Submit form MR-SITE for an application for full or partial bond/site release).
No reclamation performed in 2007. Site is monitored for revegetation of waste dump & tailings impoundment. Weed spraying for trespassers was conducted @ tailings impoundment in June & July.

I hereby certify, under penalties of law, the information provided in this report is true and correct to the best of my knowledge and belief.

Name (Typed or Print): Paul L Glader
Title of Operator: Manager Environmental Services
Signature of Operator: [Signature]
Date: 1/3/08

RECEIVED

FEB 04 2008

DIV. OF OIL, GAS & MINING